

City of Chicago Harold Washington, Mayor

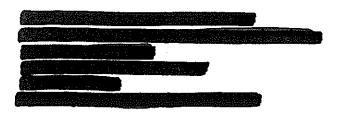
Board of Ethics

Harriet McCallough Executive Director

Sol Brandzel Chair

Rev. Don Benedict Margaret Carter Angeles Eames Rev. A. Patterson Jackson Mary Milano Marlene Rankin

Suite 1320 205 West Randolph Street Chicago, Illinois 60606 (312) 744-9660 October 21, 1987



Case Number 87093.E

Dear

Pursuant to your request, the Board of Ethics has reviewed Chapter 15.2 of the Municipal Code of Chicago which created the Economic Development Commission to determine whether the Commission's Board members will be required to file Statements of Financial Interests with the Board of Ethica.

Section 26.2-15 of the Ethics Ordinance states that appointed officials who serve on an agency that is "solely advisory in nature" are not required to file an annual Statement of Financial Interests. For an agency to be classified as "solely advisory in nature", it cannot have any authority to (1) make binding decisions, or (2) enter into contracts, or (3) make any expenditures other than those incurred for research purposes.

Although Chapter 15.2 of the Municipal Code of Chicago, indicates that the Commission's duties are limited to making recommendations to the City Council, and advising the Mayor, it has come to the attention of the Board of Ethics that the 1987 Budget included an appropriation of \$200,000 for expenses in connection with the activities of the Economic Development Commission. It is the understanding of the Board of Ethics that these funds are used to retain the Economic Development Foundation (an Illinois Not For Profit Corporation), for the purpose of obtaining technical support services for the Commission.



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Since the Commission has entered into a contract, it <u>cannot</u> be classified as an "advisory agency". Accordingly, the <u>Board</u> of Ethics hereby informs you that each member of the Economic Development Commission must file a Statement of Financial Interests in accordance with Article 2 of the Governmental Ethics Ordinance.

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Should you have any questions regarding this matter, please contact the Board at 744-9660.

Sincerely,

S. Brandzel

S. Brandzel Chairman

